



## Rolling Hills Community Services Region

### Governance Board Budget Work Session

January 8, 2020 – 1:00 p.m.

Cobblestone Inn and Suites, Holstein

Minutes

**1) Fiscal Year 2021 Rolling Hills Region Budget Work Session**

**2) Call to Order –Chairman, Paul Merten**

**3) Roll Call of Counties – Introductions**

Buena Vista County: Paul Merten

Calhoun County: Scott Jacobs

Carroll County: Neil Bock

Cherokee County: Dennis Bush

Crawford County: Cecil Blum

Ida County: Creston Schubert

Sac County: Brent Wilhelm

Woodbury County: Jeremy Taylor

Regional Staff: Dawn Mentzer, CEO; Louise Galbraith, Lisa Bringle, Leisa Mayer, Julie Albright, Theresa Jocum, Coordinators

Guests: Sheila Martin, Siouxland Mental Health; Dennis Butler, Woodbury County

**4) Budget work session**

Dawn Mentzer presented packets to the board with budget information and options for next fiscal year. The only increase included in the budget was Shesler Hall due to the timely request of the increase. There has been an additional request of \$30,000 to PAMHC for school-based services. Sioux Rivers wants an increase of \$78,000 (changing the split between the regions to 85% Rolling Hills and 15% Sioux Rivers) in the cost share for the Siouxland Crisis Center. Discussion of discontinuing the incentive funding for supported employment services to maximize regional funds to assist us in meeting Code requirements for Core Services. Turning

Point is starting to see revenue from the MCO and insurances. FY19 fund balance came in higher than projected by \$490,000.

\$38.68 per capita would cover the budget for next year, however, Dawn emphasized that this budget Target does not include the Core Service investments that we still need to strive toward. We have five Core Services that need to be developed including the: access center \$3.2 million, ACT \$700,000 or higher, Community Based crisis stabilization \$150,000, IRSH \$275,000, sub-acute (in the access center) \$2 million. Even at the cap of \$42.79 per capita we would not be able to fund all of these services and sustain them. Dawn wants to prioritize and decide what services we need to invest in. On top of this, we have the children's system which the cost is not included.

Discussion of the board concerning levy rates.

Projections:

Dawn provided projects based on three different levy rates with projected fund balance from 27%, 30% and 33%.

Discussion concerning the shortfall this year by Woodbury County and carrying over until the next fiscal year without the other seven counties raising their levies. Discussion of amending the 28E to allow a new member county to have a higher levy rate for 2 years rather than the 1 year that is in place now.

## **Governance Board Meeting**

**January 8, 2020 – 3:00 p.m.**

**Cobblestone Inn and Suites, Holstein**

### **Meeting Minutes**

#### **1) Call to Order –Chairman, Paul Merten**

#### **2) Roll Call of Counties – Introductions**

Buena Vista County: Paul Merten

Calhoun County: Scott Jacobs

Carroll County: Neil Bock

Cherokee County: Dennis Bush

Crawford County: Cecil Blum

Ida County: Creston Schubert

Sac County: Brent Wilhelm

Woodbury County: Jeremy Taylor

Regional Staff: Dawn Mentzer, CEO; Louise Galbraith, Lisa Bringle, Leisa Mayer, Julie Albright, Theresa Jochum, Coordinators; Rosie Stotts, Social Worker

Guests: Jim France, Arc of Woodbury County; Nicolle Eaton, Siouxland Mental Health; Teresa Magnussen, Velvet Jeratowski, Crossroads of Western Iowa; Steve Kremer, Juvenile Court Services; Kim Keleher, Cindy Wilde, Goodwill; Jolie Corder, New Perspectives, Inc.

#### **3) Election of 2020 Chairman**

*Cecil Blum made a motion to nominate Paul Merten as Chairman. Second by Dennis Bush. Other nominations: none*

*Motion to cease nomination by Scott Jacobs. Second by Brent Wilhelm. Motion carried unanimously.*

*Vote on Paul Merten for Chairman: Motion Carried unanimously.*

**4) Election of 2020 Vice Chairman**

*Creston Schubert made a motion to nominate Dennis Bush for Vice Chairman, second by Jeremy Taylor. Discussion none. Motion carried unanimously*

**5) Minutes of Previous Meeting**

*A motion to approve the minutes of the previous meeting as presented by Neil Bock. Second by Cecil Blum. Discussion: None. Motion carried unanimously*

**6) Approval of Agenda**

Changes/additions: none

*A motion to approve the agenda as presented by Scott Jacobs. Second by Dennis Bush*

*Discussion: none. Motion approved unanimously*

**7) Comments from the Public: Everyone will have an opportunity to speak. Therefore, comments may be limited to three minutes on any one item.**

Jolie Corder with New Perspectives, expressed concerns of ending the supported employment incentives. Jolie would like the opportunity for providers to meet with the Region and possibly work out changes rather than ending it altogether. Paul Merten agreed that there can be more conversation concerning this during the budget process. Dawn Mentzer will be contacting providers in the near future and set up a meeting to discuss supported employment.

**8) Unfinished Business: None**

**9) New Business – Fiscal Year 2021 Budget Review – Possible Action**

Dawn Mentzer summarized the proposed budget: Total budget (preliminary) \$7,631,840.00 (this does not include all provider increases). The only rate increase request that was factored into the proposed budget was for Shesler Hall in the amount of \$14,000 due to the timely nature of the request prior to budget development. Other proposed increases not in the budget include: PAMHC is requesting \$30,000 increase for school based services to expand into other schools in the region. Kim Keleher will provide Dawn with a formal request. Sioux Rivers Region is requesting to increase our share of The Crisis Stabilization and Assessment Center in Sioux City from 75% to 85% which would result in an increase to Rolling Hills of \$78,000.

Revenue: Rolling Hills ending balance for FY'19 is about \$500,000 higher than projected due to unanticipated revenue. Turning Point is receiving some more revenue from insurance and MCOs, and hospitals are contributing for ITP services.

Out of the 8 core services we need to begin in the next year, per Iowa Code, we have 3. The projected cost to start all 5 service is estimated at \$6 million. There was discussion/question concerning consequences from the State if we do not start the core services. There is no consequence at this time, however, we need to be moving forward with development so that we

can meet compliance with Iowa Code. Dawn Mentzer reported that \$1,000,000 is in the budget for development which is far from enough to start the programs.

Discussion concerning the Sioux City Assessment Center contract with Sioux Rivers Region. The consensus was to send a letter to Sioux Rivers Region that we intend to honor the contract and would like them to do likewise. We only need a motion if there was going to be a change to the contract so no action was taken.

Dawn Mentzer provided projections on various Per Capita Targets of \$34.00, \$35.00, \$36.00 and \$38.68. A Per Capita Target of \$38.68 would result in a FY'21 fund balance of \$3,018,955 or 40%.

Jeremy Taylor asked the board if there was any interest in setting a lower per capita to further reduce the fund balance. Discussion was held regarding over budgeting the Per Capita should we not expend next year's entire budget. Cecil Blum expressed concern regarding an \$8.00 increase in the Per Capita and would rather step it up more gradually. Dawn Mentzer addressed the providers in attendance, making sure that they were aware that during the budget work session of all of the efforts of the Task Forces over the past several months. She pointed out that even if the Region went to the Max next year that we couldn't meet all of the core service requirements due to the impossible tasks that lie ahead of us with capped funding.

Per Capita discussion:

*Brent Wilhelm made a motion to set the per capita rate for FY'21 at \$38.68. Second by Dennis Bush.*

*Discussion: none. Roll call vote:*

*Carroll: no*

*Crawford: no*

*Calhoun: yes*

*Buena Vista: yes*

*Ida: no*

*Cherokee: yes*

*Woodbury: no*

*Sac: yes*

*Vote tied 4-4 – motion fails with weighted vote*

*A motion by Creston Schubert to set the FY'21 Per Capita at \$36.00. Second by Cecil Blum.*

*Discussion: Jeremy Taylor asked about Woodbury County doing a higher Per Capita rate for one year to make up the deficit per the MOU. This can be done as an amendment to the motion.*

*Jeremy Taylor asked to amend the original motion to allow Woodbury County to set their per capita at \$1.66 (\$37.66) higher to make up for the FY'19/20 shortfall of \$170,395 per the MOU. Second by Creston Schubert. Discussion: none. Vote: amendment to motion carried unanimously.*

*Discussion on the motion as amended to set the \$36.00 Per Capita, the projected fund balance would be at 29 – 30% with only \$1,000,000 for service development.*

Discussion: Jeremy Taylor asked about the fund balance and whether we need to address the ending balance for next year's budget. Neil Bock stated that the lower Per Capita will affect it but it doesn't need to be specifically addressed. Dawn Mentzer clarified that if we receive additional requests for increases and also work toward some core investments that we would not end up at the fund balance projection of 33% on a \$36.00 Per Capita and that this will only allow for approximately \$900,000 for core crisis service development.

*Vote on motion as amended:*

*Sac: no*

*Woodbury: yes*

*Cherokee: no*

*Ida: yes*

*Buena Vista: no*

*Calhoun: no*

*Crawford: yes*

*Carroll: yes*

*Motion carried at 4-4 with weighted vote*

Cecil Blum questioned whether it was clear as to how Woodbury County was going to be able to supply a higher Per Capita. Scott Jacobs responded that Dawn could consult with Gary Jones due to his expertise with 28E Agreements.

Dawn Mentzer concluded the budget presentation with clarification that the lower Per Capita vs. the Max Per Capita of \$42.79 results in \$1,339,701 in funding that we will not be able to draw for Core Service Investments in FY'21.

#### **10) Schedule Next Meeting**

*A motion to set the next meeting on February 26, 2020 at 2:30 by Brent Wilhelm. Second by Creston Schubert. Motion carried unanimously.*

*A motion to adjourn at 4:30pm by Dennis Bush. Second by Creston Schubert. Motion carried unanimously.*